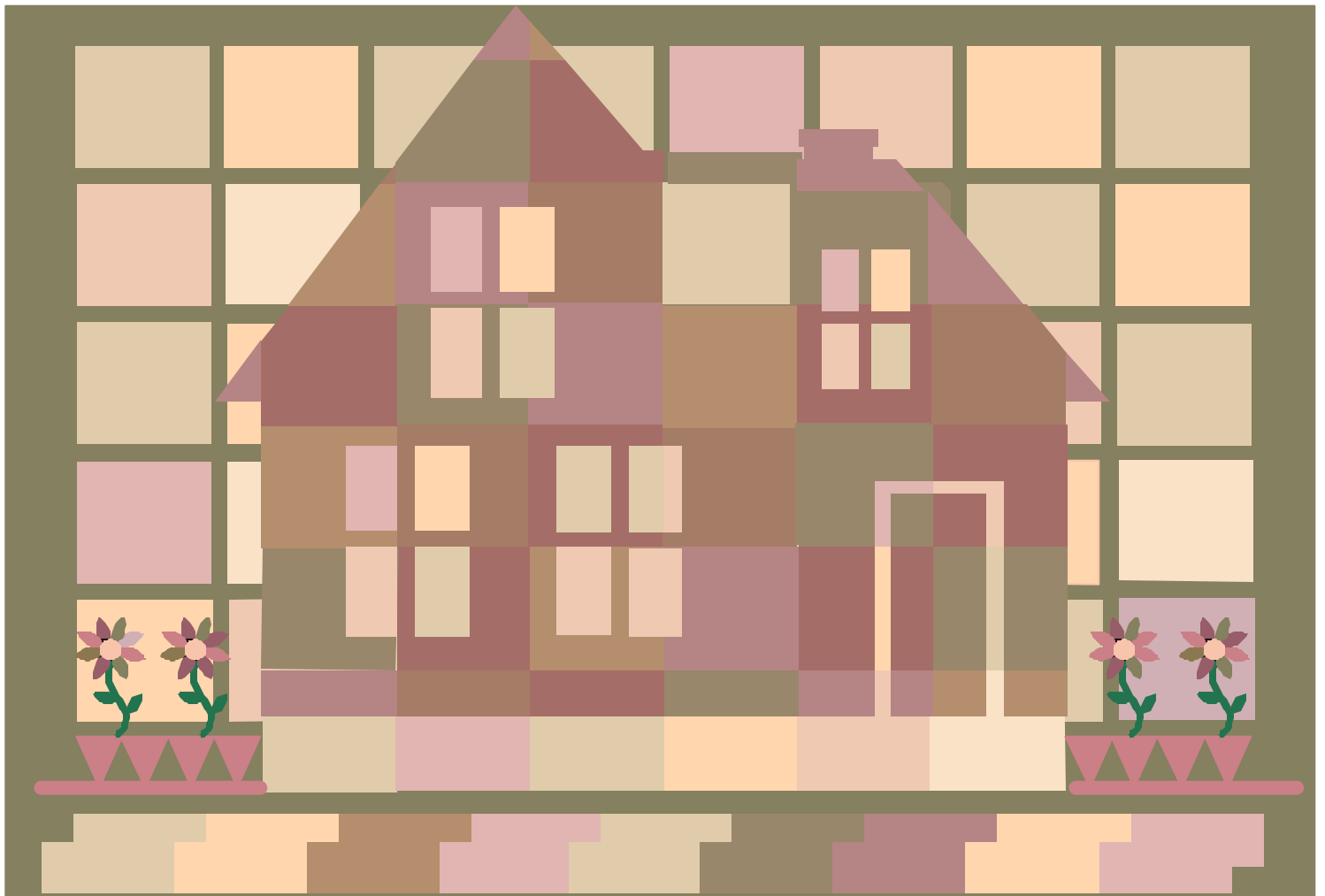Building Stronger Indianapolis Neighborhoods

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Action Plan

Division of Community Economic Development

City of Indianapolis   November 15, 2005

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Executive Summary

As a major United States metropolitan area, the City of Indianapolis receives federal funding through the U.S. Department of Housing and Urban Development (HUD) entitlement programs administered by the Department of Metropolitan Development.

The City of Indianapolis' *2005-2009 Consolidated Plan* identifies housing and community development needs and establishes goals to meet them through funding received from the following grant programs: the Community Development Block Grant (CDBG,) the Home Investment Partnerships Program (HOME,) the American Dream Downpayment Initiative Program (ADDI,) the Emergency Shelter Grant (ESG) and the Housing Opportunities for Persons with AIDS Program (HOPWA). Each year the Consolidated Plan is updated through an Annual Action Plan, which identifies the City's implementation and administration plans for these entitlement programs. The 2006 Action Plan is the second annual for the 2005-2009 period.

In 2006, the City anticipates to receive approximately $16.1 million for these entitlement programs. An additional $200,000 in reallocated CDBG funding is also anticipated for the year. This additional funding will be allocated through the Federal Grants Review Committee. This *2006 Action Plan* presents the City's strategy for allocating entitlement dollars to activities that will assist in achieving the goals set forth in the *2005-2009 Consolidated Plan*. The chart below shows the benchmarks and 5-year Consolidated Plan goals.

Increase the availability of safe, decent, affordable housing		
Strategy	**2006 Targets**	**Five-year Goal**
Rehabilitate substandard units to create rental housing for persons at 0-30% MFI**	63	325
Rehabilitate substandard units to create rental housing for persons at 31-80% MFI**	22	200
Homeownership-strategic development	34	*
Rehabilitate substandard units to create homeownership opportunities	36	350
Increase homeownership opportunities for low-mod income persons through downpayment assistance	16	200
Assist low-mod income homeowners with repairs to residences	281	1000

*The City will amend its 5-year Plan to include a 5-year goal for homeownership strategic development.
** MFI – median family income

Prevent homelessness for special needs populations and persons at-risk of homelessness

Strategy	2006 Targets	Five-year Goal
Provide emergency rent and utility assistance to persons with special needs and persons at risk of homelessness.	500	2500
Provide supportive services to persons at risk of homelessness or special needs populations to work towards self-sufficiency.	250	1250

Increase educational opportunities

Strategy	2006 Targets	Five-year Goal
Increase educational opportunities for youth.	63	7500
Provide job training to low-moderate income persons.	765	1000

Support capital enterprise development for job creation

Strategy	2006 Targets	Five-year Goal
Place low-moderate income persons in jobs.	584	500
For persons placed in jobs, help ensure employment for at least 180 days.	337	200
Create new jobs through new development.	240	1200
Improve commercial facades and signage for small business owners.	25	100

Eliminate unsafe buildings and sites		
Strategy	**2006 Targets**	**Five-year Goal**
Eliminate unsafe sites that pose a threat to the environment.	4	20
Eliminate unsafe structures that pose a threat to public safety.	3,000	15,000

Combine housing opportunities with social & public services		
Strategy	**2006 Targets**	**Five-year Goal**
Fund services connected to permanent housing.	50% of services will be tied to permanent housing programs each year.	
Combine housing development with access to transportation.	30% of all development projects will be within a 10-minute walk of public transportation.	

The *2005-2009 Consolidated Plan* addresses several goals or themes associated with community and neighborhood development. One over-arching goal established by the Mayor of Indianapolis is "Building Stronger Neighborhoods," the second, "Family Self-Sufficiency." These themes are associated with preserving and increasing homeownership, creating affordable rental units, addressing unsafe buildings, promoting activities that contribute to neighborhood revitalization and providing supportive services necessary for individuals to build economic independence.

Building Stronger Neighborhoods

Housing continues to be the highest priority for these entitlement programs. In 2006, the City will invest more than $8.5 million in housing activities such as homeowner repair, the creation of new opportunities for homeownership and the creation and rehabilitation of affordable rental housing. This will be achieved, primarily, at the grass roots neighborhood level by partnerships with community based organizations such as Community Development Corporations (CDCs.)

This *Plan* includes over $3.6 million to provide housing repairs to 281 units owned and occupied by households earning less than 80 percent of the area median family income. The City will provide CDBG funds to CDCs to provide roof replacement, new furnace installation, window replacement and other repairs necessary to maintain a suitable living condition. These types of repairs will ensure that individuals, particularly the low or fixed-income elderly, are able to remain in their homes.

Another strategy used to accomplish the goal of building stronger neighborhoods is to create new homeownership opportunities. In 2006, HOME funds will be awarded to community-based organizations such as CDCs to build new homes and to acquire and rehabilitate vacant structures for sale to low-income families. Funding for 36 of these units have been awarded. Finally, the Indianapolis Neighborhood Housing Partnership (INHP) and West Indianapolis Community Development Corporation will provide direct homeownership assistance such as down payment assistance or mortgage subsidy to 16 low-income homebuyers.

The *2005-2009 Consolidated Plan* identifies rental housing affordable to extremely low-income families as a high priority. Funds were awarded to CDCs, neighborhood groups and private developers for the creation of new low-income rental units to serve 90 individuals. Additionally, the City will provide funding to support economic development, neighborhood empowerment programs and to address vacant unsafe structures, all of which will also contribute to stronger neighborhoods.

Phase four of the highly successful Homeownership Zone project will also begin in 2006. Additional properties are being added to this project to further its development and it is expected that 40 more units of housing for low and moderate-income households will be part of this expansion over the next two years.

Family Self-Sufficiency

While creating and maintaining quality affordable housing remains the cornerstone of the City's strategy to build stronger neighborhoods, other services must be made available either separately or in direct linkage to housing opportunities to ensure that individuals and families gain every advantage in achieving a higher level of self-sufficiency. In 2006, a variety of activities that promote self-sufficiency will be undertaken including job readiness, placement, and retention services; senior and youth services; and other support services linked to housing for the homeless and special needs populations. These activities will be implemented as part of the holistic approach necessary to achieve the development of Indianapolis communities. In 2006, approximately $2.6 million will be invested to assist families and individuals in attaining the services they need work towards self-sufficiency.

A very important new part of the City's plan to achieve family self-sufficiency is the Mayor's *Blueprint to End Homelessness*. The creation of a broad-based coalition of groups, the *Blueprint* lays out the strategic plan to end the cycle of homelessness in Indianapolis and provided much-needed services to the very poor. The City, in addition to providing assistance to the broader continuum of people living below the median family income level, pledges to focus specific

support to those at the very lowest end of that range. As part of this effort, the City is working with the Indianapolis Private Industry Council (IPIC) in a pilot program developed between the U.S. Department of Housing and Urban Development and the U.S. Department of Labor. The partnership provides housing and greatly needed job training and placement services to 42 chronically homeless individuals. Lessons learned previously in the program will be used in 2006 to create better and more efficient ways of housing the formerly homeless.

Community Profile

According to the U.S. Census Bureau, Indianapolis is the 12th largest city in the nation in terms of population. As part of a requirement by the U.S. Department of Housing and Urban Development (HUD), an inventory of the city's population and housing stock was conducted. From this information, City staff is more easily able to set goals for the 2006 fiscal year and determine what type of projects should be funded by 2006 entitlement funds.

Population

The population for Indianapolis Metropolitan Statistical Area (MSA) in the year 2000 was 1,619,983. Fifty-three percent, or 860,854 of this populace resided in Marion County. These numbers may be greater in 2004 because the 2000 census numbers were taken in 1999. The following table shows the racial breakdown of the Marion County population, compared to Indiana and the United States.

2000 Population	Marion County		Indiana		United States	
American Indian and Alaskan Native	0.3%	2,581	0.3%	8,241	0.9%	2,532,797
Asian	1.4%	12,046	1.0%	60,805	3.6%	10,131,189
Black or African American	24.2%	208,230	8.4%	510,761	12.3%	34,614,894
Hispanic or Latino	3.9%	33,558	3.5%	212,817	12.5%	35,177,738
Native Hawaiian and Other Pacific Islander	0.0%	0	0.0%	0	0.1%	281,422
White	70.5%	606,620	87.5%	5,320,424	75.1%	211,347,851
Total Population	100%	860,454	100%	6,080,485	100%	281,421,906

All minority populations grew as a percent of the population from the 1990 census statistics. The Hispanic population grew the most during that period, increasing from 0.1 percent of the population in 1990 to 3.9 percent in 2000, representing a 3,800 percent growth increase. The Asian, Native American and the African American populations followed in growth rates, respectively. Only the White population decreased over the ten-year period.   The Analysis of Impediments to Fair Housing Choice also lists the percent of minority population for each township in Marion County. The southern most townships are the least diverse while Center and Pike townships are the most diverse.

Population by Race and Ethnicity, by Township, 2000

	Pike	Washington	Lawrence	Wayne	Center	Warren	Decatur	Perry	Franklin
American Indiana or Alaskan Native	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%	0.2%	0.2%	0.2%
Asian alone	3.7%	1.4%	1.7%	1.6%	0.6%	1.1%	0.4%	1.1%	1.4%
African American	32.2%	26.8%	28.9%	19.2%	40.6%	21.6%	1.2%	1.6%	0.7%
Hispanic or Latino	5.5%	3.1%	3.4%	5.4%	5.1%	2.6%	1.7%	2.7%	1.3%
Native Hawaiian or Other Pacific Islander	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%
White	56.2%	66.8%	64.0%	71.8%	51.9%	72.9%	95.5%	93.4%	95.5%
Some Other Race	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%
Two or More Races	1.9%	1.5%	1.5%	1.6%	1.3%	1.5%	0.9%	0.9%	0.8%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

The median age for the Indianapolis MSA is 34.7 years of age. The following chart depicts the aging population of Marion County.
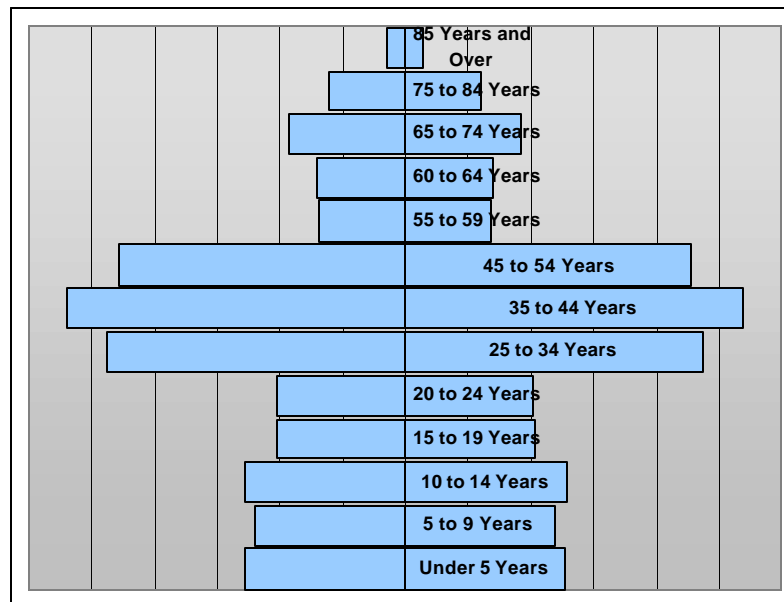
By reviewing this chart, the City can identify and anticipate needs for the future. Indianapolis' largest age group is people 25 to 54 years of age. Fifteen years from now, the City will have a large demand for senior services and senior housing because of the aging population. The youngest populations will need higher education and jobs that provide living wages.

Income

For many of the programs funded by the U.S. Department of Housing and Urban Development (HUD,) income guidelines determine eligibility. The most recent guidelines, published by HUD, are for the year 2005 and are specific to the Indianapolis MSA. HUD begins by calculating the median family income for a family of four. This would be the mathematical point at which half of the four-member family population earns more and the other half earns less. Household income is determined by summing the gross incomes for all adults in a household. As the number of people in household increases, so too does the median family income. The following table features the income guidelines for the Indianapolis MSA, based on the number of people per household.

2005 Income Limits

Indianapolis, IN MSA

MFI for a family of four: $ 63,800

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
0-30% MFI	$ 13,450	$ 15,400	$ 17,300	$ 19,250	$ 20,750	$ 22,300	$ 23,850	$ 25,400
31-50% MFI	$ 22,450	$ 25,650	$ 28,850	$ 32,050	$ 34,600	$ 37,200	$ 39,750	$ 42,300
51-80% MFI	$ 35,900	$ 41,000	$ 46,150	$ 51,300	$ 55,400	$ 59,500	$ 63,600	$ 67,700

These income limits are different from the poverty calculation determined by the U.S. Census Bureau. Poverty thresholds are assigned to households based on the size of the family and the age of all family members. There are a total of 48 different poverty thresholds a family can be assigned to. The income limits followed by HUD are not based on the age of family members and therefore make a comparison between them and the poverty level difficult to determine. Generally the poverty threshold will follow slightly below or above the 0-30 percent of the median family income limit.

The median family income (MFI) is calculated using the gross income for all adults, age 18 or older, in a household. As the number of people in household increases, so too does the median income. The median family income for an area is the point at which exactly half the households earn more and exactly half the households earn less. According to the 2000 U.S. Bureau of Economic Analysis, the median family income for Marion County was $40,421. The median family income for a family of four nationally was $57,700.

Housing

Barriers to Affordable Housing

The three most prevalent impediments to affordable housing in Indianapolis have been identified as 1) high costs associated with the development of affordable housing; 2) decreased availability of affordable housing units; and, 3) poor credit history. In 2006, CDBG, HOME, HUD McKinney funds and American Dream Down Payment Initiative funds will be used to address these barriers.

For many, the high costs associated with developing and operating affordable housing continues to be a challenge. The *2005-2009 Consolidated Plan* identifies affordable rental housing for families with incomes less than 30 percent median family income as a high priority. In 2006, the City will invest $1,062,000 of CDBG and HOME funds for the creation of affordable rental housing for families earning less than 80 percent median family income. This investment will create 85 rental units for low/moderate-income households. Approximately 63 of these units will be affordable to households earning less than 30 percent of the median family income.

The second obstacle is the lack of units classified as "affordable." For housing to be considered affordable, tenants should not pay more than 30 percent of their gross household income towards housing costs. According to the Indianapolis Homeless Count and Survey, more than 54,400 Marion County residents spend more than <u>half</u> of their monthly income on housing. Many times, families are faced with numerous issues that affect their self-sufficiency. In 2005, the City awarded $498,750 to the Indianapolis Neighborhood Housing Partnership (INHP) and $276,507 to the Indianapolis Housing Agency (IHA) to provide direct homeownership assistance to first-time low-income homebuyers to be used in 2005 and 2006. These awards were made with the American Dream Downpayment Initiative funding. In addition, this plan includes $50,000 of HOME funds for direct homeownership assistance for persons who are not first-time homebuyers. These funds can be used for down payment assistance, closing cost assistance or as a direct mortgage subsidy, all of which help to increase the affordability of housing for homeownership.

Poor credit history can also make affordable housing difficult to obtain. According to information collected through the Home Mortgage Disclosure Act, a poor credit rating is the number one reason for denial of conventional home purchase loans. These numbers also indicate that persons at or below 80 percent of the MSA median family income are more likely to have a poor credit history than those in the above 80 percent category.   The Indianapolis Neighborhood Housing Partnership (INHP) offers short-term housing counseling

for persons faced with such issues who are interested in buying a home. Also, the Family Service Association of Central Indiana (FSA) provides long-term credit counseling and homeownership training to prospective homeowners with more complex credit concerns. Each of these organizations is open to all persons interested in buying or renting housing in Marion County.

Foster and Maintain Affordable Housing

The *2005-2009 Consolidated Plan* focuses on housing, providing services to those at-risk of losing their housing, improving communities and connecting housing opportunities with supportive services.   One of the goals in the *Consolidated Plan* is to increase the availability of safe, decent, affordable housing. The *Plan* identifies the following strategies to meet this goal and to promote and maintain affordable housing:

-Rehabilitate substandard units to create affordable rental housing
-Rehabilitate substandard units to create affordable homeownership opportunities
-Increase affordable homeownership opportunities through down payment assistance
-Assist low-income homeowners with repairs to residences

In 2006, the City plans to apply approximately $7 million of CDBG and HOME funds towards increasing the availability of safe, decent, affordable housing. The following are some of the projects that will be undertaken to meet these housing objectives.

Brokenburr Re-Development

Since 2004, the City has committed a total of $3,065,000 of HOME funding for the redevelopment of Broken Burr Trails, a former public housing project in Center Township. This project consists of 165 affordable rental units for persons at or below 60 percent area median family income and 52 affordable homeownership units for persons at 50-80 percent area median family income. The creation of a community center, a neighborhood park and a commercial development are also a part of the project. In 2006, the City will invest $800,000 of HOME funds to continue this multi-phased redevelopment initiative.

West Indianapolis Development Corporation

The City of Indianapolis will award $198,000 of HOME funding to the West Indianapolis Development Corporation (WIDC) for their West Indy HOME Program. In existence since 1995, the program promotes homeownership opportunities for families at or below 80 percent of the area median family income. WIDC will use HOME dollars to provide down payment assistance,

construction subsidy and mortgage refinancing for at-risk homeowners in their service area. A total of nine units will be completed with HOME funds.

Martindale on the Monon

Martindale Brightwood Community Development Corporation has partnered with Development Concepts, Inc to develop a comprehensive strategic redevelopment plan for the Martindale Brightwood neighborhood. This plan consists of new construction on vacant lots, rehabilitation of vacant homes, homeowner repair and commercial development. In 2004, the City awarded $140,000 of CDBG funds and $160,000 of HOME funds to provide down payment assistance to homebuyers purchasing a home in the Martindale on the Monon development. In 2005, the City committed $400,000 of HOME funds to provide down payment assistance to an additional 20-25 homebuyers. This *2006 Action Plan* includes $187,500 of HOME funds to acquire and rehabilitate five units for homeownership and $90,000 of the CDBG funds to provide repairs to existing owner-occupied units located within the project area.

Homeowner Repair

In 2006, the City will provide nearly $3 million to 15 private not-for-profit organizations to repair 226 units owned and occupied by households earning less than 80 percent median family income. The typical recipient of homeowner repair assistance is elderly and extremely low-income. Unfortunately, the need for this type of assistance far outweighs the funding available. Many organizations providing homeowner repairs have began to leverage new resources and design their programs to generate revenue. Also, this *Plan* includes an additional $687,000 of CDBG funds for organizations who complete units early to provide additional homeowner repairs in 2006.

American Dream Downpayment Initiative

A new component under the HOME Investment Partnerships Program (HOME), the American Dream Downpayment Initiative (ADDI) reserves funding to provide down payment assistance to low-income, first time homebuyers. In 2005, the City of Indianapolis received $855,291 in ADDI funds (for the multiple funding years of 2003, 2004, and 2005.) The Indianapolis Neighborhood Housing Partnership (INHP) received $498,750 to provide down payment and closing costs assistance to approximately 48 families at or below 80 percent area median family income. The Indianapolis Housing Agency (IHA) received $276,507 to provided down payment assistance to 26 low-income public housing residents and Section 8 voucher holders making the move to homeownership. In addition to reaching out to public housing residents, the City will also make an effort to market this homeownership program to persons and families living in manufactured housing.

In 2006, INHP and IHA will continue to utilize the ADDI funding they received in 2005 to provide down payment assistance to low-income, first-time homebuyers. Of the 74 new homeownership opportunities created by this program, 45 minority families will be assisted in becoming homeowners. INHP, IHA, and Community Development Corporations (CDCs) will be able to apply for ADDI funding in 2006.

Lead-based Paint

In January of 2006, the City's Lead Hazard Reduction Grant ends. The City was awarded this grant through the Office of Healthy Homes and Lead Hazard Control in 2003. To manage the process, the City formed a partnership with the Marion County Health Department (MCHD) and its office of Childhood Lead Poisoning Prevention.

It was determined that the majority of lead poisonings in children residing in Marion County came from rental housing problems. As such, the City shifted its efforts to focus on large, multi-family housing units in low-income areas. Working through the Community Action of Greater Indianapolis (CAGI) weatherization program and local Community Development Corporations, the City and the MCHD were able to aggressively address the problems of lead hazards in low income housing.

In 2006, the grant holder for this work is changing. Instead of the City being the grant recipient, the Marion County Health Department will sponsor the program, with the City acting as its partner. This will make the process more effective, as MCHD has programs and additional grant dollars already set up to perform these activities. Beginning in 2006, MCHD will be awarded approximately $3 million in Lead Hazard Control Grant funds for the next 3 years. It is expected that current efforts will continue, protecting thousands of Indianapolis children from lead based paint hazards associated with housing. The focus will remain on low-income rental housing, which produces the most cases of childhood lead poisoning in Indianapolis and single family units where lead-poisonings have occurred, in some cases multiple times.

Public Housing

Indianapolis' public housing agency, the Indianapolis Housing Agency (IHA), was designated as troubled by HUD in 2005. The City of Indianapolis will provide technical and financial assistance to IHA to improve its operations and get the troubled designation removed.

In 2006, City staff will meet with IHA staff on a regular basis to review various projects, discuss plans for development and to keep the lines of communication

open. In addition, the City will provide assistance to IHA with the HUD required environmental review process. This type of assistance is important to ensure that IHA is working towards it goals and in conjunction with the City. In addition to technical assistance, the City will provide financial assistance to four IHA projects: Brokenburr Trails' redevelopment, Section 8 homeownership and the rehabilitation of units in the Twin Hills and Beechwood communities.

IHA prepared a multi-phased plan to redevelop and expand the Brokenburr Trails community. Located at the corner of Raymond and Perkins Streets on the city's South side, the project consists of 165 affordable rental units for persons at or below 60 percent of the median family income and 52 affordable homeownership units for persons at 50-80 percent median family income. In addition to the new housing opportunities, a community center, a neighborhood park and a commercial development are also planned. In 2006, the City will invest $800,000 of HOME funds in this project. The City's total investment will be more than $5 million ($3 million of HOME funds for construction and $2 million of local funds for infrastructure).

In August of 2005, the City awarded $276,507 of American Dream Downpayment Initiative (ADDI) funds to IHA to provide down payment assistance to very low-income homebuyers receiving Section 8 assistance. This program allows families receiving Section 8 rental assistance to purchase a home. IHA provides both pre- and post-purchase counseling, which has proven to benefit IHA's homeownership clients.

The final two projects, the rehabilitation of existing units in two of IHA's communities, received Community Development Block Grant (CDBG) funds in late 2005. CDBG funds and IHA capital funds will be invested to rehabilitate 11 three and four-bedroom units - four in Twin Hills and seven in Beechwood. This investment will bring these currently uninhabitable units back on line, allowing IHA to house more very low-income families and generate additional revenue.

Homeless Assessment

Many individuals and families experiencing homelessness face both internal and external issues that lessen their ability to obtain and sustain mainstream housing. Internal barriers include, but are not limited to, addiction and substance abuse, mental illness and educational issues. When these problems are coupled with external barriers such as the lack of job training, domestic violence, lack of transportation, limited access to childcare and a scarcity of affordable housing, a spiraling cycle of hopelessness and homelessness can occur.

In April 2002, the Coalition for Homelessness Intervention and Prevention (CHIP) released the City of Indianapolis' *Blueprint to End Homelessness.* A 10-year comprehensive plan, the *Blueprint* identifies five strategies that must be implemented in order to obliterate homelessness in Indianapolis within the next decade.

Goal 1: **Address Housing Needs.** Create 1,700 units over the next decade through new construction, rehabilitation and the preservation of existing units for the 0-30 percent MFI population.

Goal 2: **Prevent Homelessness.** Seek to increase homelessness prevention activities to ensure that individuals who are currently housed remain housed. Implement employment assistance, housing subsidies and other services to help prevent individuals and families from becoming homeless.

Goal 3: **Improve Access and Coordination of Housing and Services.** Coordinate access to housing and services through a structured, strengths-based case management. Provide information and referral assistance and 24-hour access to housing and services. Improve coordination of street outreach. Create wet shelters to provide prompt access to treatment for publicly intoxicated individuals. Improve access to transportation and services for non-English speaking individuals. Help families access subsidized childcare and improve access to housing.

Goal 4: **Enhance Services. Ensure a continuum of employment services to help the homeless reach economic independence***.* Improve services for homeless persons with mental illness and substance abuse issues. Assist shelters and day service centers in meeting the needs of the homeless. Improve educational services to youth. Enhance the availability of legal services.

Goal 5: **Coordinate Services for Special Populations.** Better coordinate service systems, housing, shelter and service delivery to veterans, victims of domestic abuse, children and young adults.

The *Blueprint* estimates that some 3,500 individuals, including children, are homeless on any given night in Indianapolis. Through the use of ESG (Emergency Shelter Grant), SHP (Supportive Housing Program) and HOPWA (Housing Opportunities for Persons with AIDS) grants, the City is able to assist service providers in supporting self-sufficiency for our homeless neighbors.

The City receives approximately $3.3 million annually through the *Continuum of Care* grant. Awarded to transitional housing programs, permanent housing programs and service organizations throughout Indianapolis, this grant directly helps to combat homelessness. The *Blueprint* acts as the city's determinate when deciding which programs will receive funding under the *Continuum of Care* grant.

Given the statistic that 15,000 people experience homelessness each year in Indianapolis, the City has a large task at hand in the elimination of homelessness. It will take far more than the *Continuum of Care* funds received to achieve this goal.

The City continues to actively work with new and existing community partners to create more permanent supportive housing units, put a system of care model into practice and expand homelessness prevention efforts. Efforts to implement other parts of the plan such as building a wet shelter, expanding the Homeless Management Information System (HMIS) and creating a Housing Database are also underway. Planning, data collection and resource coordination efforts will continue concurrently.

Ten homeless service providers will receive Emergency Shelter Grant (ESG) funding from the City in 2006 to help combat the issue of homelessness and achieve the goals outlined in the *Blueprint.*

- Gennesaret Free Clinic offers services to homeless men in need of respite care. This program is the only one of it's kind in Indianapolis or the outlying regions. Gennesaret will receive $56,166 for essential services, homelessness prevention and operations costs.

- Julian Center provides services to women and their children that are fleeing domestic violence situations. The organization offers a continuum of services from the shelter level to transitional housing. From their referrals, families are moved into permanent housing. Julian Center will receive $28,000 from the Emergency Shelter Grant for operations costs.

- Dayspring Center provides services to homeless families in Indianapolis. They will receive $48,879 for operations and homelessness prevention.

- Holy Family Shelter provides services to homeless families. The only shelter in Indianapolis that will accept a married couple without children, Holy Family was awarded $52,000 to aid with homelessness prevention and operations costs.

- Quest for Excellence is a shelter for women and their children fleeing from domestic violence. They will receive $17,958 for homelessness prevention and operations.

- Horizon House offers day services to homeless individuals. The services they provide range from intensive case management to laundry and postal services. They were awarded $39,600 for homelessness prevention and operations.

- Salvation Army Social Service Center provides services to homeless women, their children, and victims of domestic violence. They will receive $42,000 for homelessness prevention and operations.

- Children's Bureau provides services to homeless children ranging in age from infant to 17 years. They will receive $28,000 for homelessness prevention and operations.

- Lighthouse Mission Ministries provides substance abuse counseling to homeless men. They will receive $13,200 for essential services.

Underserved Needs

Anti-Poverty Strategy

Funding to a variety of programs and projects designed to impact the sources of poverty in our community will continue in 2006. The City has undertaken a holistic approach in its response to homelessness and special needs, complimenting its proactive approach to the issue of poverty in general. Workforce development and job training, services to low-income residents, special needs housing and the development and protection of affordable housing stock are all part of the City's Anti-Poverty Strategy, designed to impact family, individual and neighborhood self-sufficiency. The following sections detail parts of the plan that will be addressed through the use of federal entitlement dollars.

Workforce Development

One of the weightiest factors contributing to the problem of poverty is the availability of jobs that pay livable wages. From a study of jobs and the economy, the Indianapolis MSA is recovering from an economic downturn, including job

losses. However, similar midwestern cities have experienced greater losses. The Indianapolis MSA economy is an average job market with average unemployment and average wages for those who are employed. Although the economy is recovering, there are some hurdles yet to cross. As housing development is intricately tied to a successful economy, it is important to consider the economic structure in terms of the elimination of poverty as it relates to housing. To encourage continued growth in the economy, the following strategies have been identified:

- Place low-moderate income persons in jobs;
- Help ensure employment for at least 180 days for persons placed in jobs;
- Create new jobs through new development;
- Improve commercial facades and signage for small business owners.

The strategies of this plan are not solely to support minimum wage jobs. Rather, they are to help businesses and individuals offer and obtain jobs that pay above minimum wage, and as a result help families to achieve self-sufficiency and allow businesses to grow. Because of the $713,000 in CDBG funds being award for job training, placement and retention services in 2006, 1126 individuals will receive assistance.

Nine service providers will receive CDBG funding from the City in 2006 to help with the strategies listed above.

- **Children's Bureau** - $30,000 - Provide job training to 100 youth.

- **Community Alliance of the Far Eastside** - $31,000 - Provide job training, placement and retention services to 35 individuals.

- **Edna Martin Christian Center** - $23,000 - Assist 60 individuals with job training, placement and retention services

- **Horizon House** - $155,000 - Assist 370 homeless individuals with job training, placement and retention services

- **Keys to Work** - $142,000 - Provide job training, placement and retention services to 55 individuals

- **Noble of Indiana** - $231,000 - Provide job training, placement and retention services to 326 individuals.

- **Second Helpings** - $44,000 - Assist 100 individuals with job training and placement in the culinary trade.

- **Workforce, Inc** - $26,000 - Assist 30 ex-offenders with job training, placement and retention services.

Additionally, the City is working in it's third year of a collaborative competitive grant funded by the U.S. Department of Labor and the U.S. Department of Housing and Urban Development to provide housing and assisted employment training to persons experiencing homelessness. The City's partner in this effort,

the Indianapolis Private Industry Council (IPIC,) has received $600,000 for the employment portion of the project. The City will receive $1 million from HUD to implement the housing segment. Forty-two formerly homeless men will take part in the program.

Initiatives for Youth

As the number of persons living below poverty level increases, the percentage of that population that includes children and teenagers rises as well. To address the needs of this very important sub-set of our at-risk population, $296,000 in CDBG funds will be used by area organizations to implement social and educational programs which help to provide a support structure for youth. A significant portion of this funding, $100,000, will go towards summer youth programs sponsored by several local social service organizations.

Implementation

Institutional Structure

Late in 2005, the Division of Community Development for the City of Indianapolis underwent reorganization. The division was merged with the Division of Economic Development to form the new Division of Community Economic Development. This reorganization is an important step forward for the City, allowing for better coordination of its housing, community development, economic development and funding efforts.

Many of the projects previously undertaken through the Division of Economic Development, such as Keystone Enterprise Park and brownfields redevelopment, were either partly or wholly funded with HUD funding through the Division of Community Development. By consolidating these two divisions, it is easier to take a more focused and holistic approach towards achieving the City's goals. In addition, many of the organizations, both for-profit and not-for-profit, which assist the City with the implementation of the *Consolidated Plan,* have historically worked with both divisions. The merge, therefore, will improve communication between partners and help to streamline efforts. One example of this is the process of comprehensive strategic development.

Coordination

Comprehensive strategic development focuses funding into condensed areas so that a larger impact can be made in a neighborhood. In the past, one house on a street might receive homeowner repair or other services while the others would be left alone. Now the goal is to impact as many houses as possible on that block to better help the neighborhood. The city is also looking at areas where other funding has already been used to leverage federal funding and programs.

The Crown Hill Neighborhood, for example, received increased services though the Indianapolis Police Department in 2005 and is now receiving increased services through Marion County Health Department. The Near North Community Development Corporation is also using CDBG funding in the area. This combination of efforts helps to make a greater and more effective impact on the development of that neighborhood. Another example of this is the Martindale on the Monon project. Funded through the Parks Department in association with Martindale-Brightwood CDC, efforts here are focusing on the rehabilitation of a formerly blighted neighborhood along the Monon Trail. Also impacting this area is the FOCUS corridor, a strategic economic development initiative administered by Local Initiatives Support Corporation (LISC.) The coming together of private, non-profit, governmental, and neighborhood resources and efforts will help to insure the strength, vitality and ultimate success of this project an others like it in neighborhoods all over Indianapolis.

Monitoring

An important part of the grant process is monitoring. Not only does this process help the City stay on target for reaching the goals of the Consolidated Plan it also helps project sponsors positively impact Indianapolis communities by meeting the goals of their organizations. The City has developed a streamlined process that insures project compliance with all federal guidelines, including those involving the timeliness of expenditures. Once a year, the City will conduct an on-site monitoring visit for all current contracts to verify compliance with all local and federal regulations and policies. Further visits may be required if deemed necessary by program staff.

A. Preparation

   1. Each Project Sponsor will be contacted, in person by phone or e-mail, to determine an appropriate time and date of the monitoring visit. The set time and date will be verified, in writing, at least two weeks prior to that date. This written notice will include a list of documents that are to be readily available during the visit.

   2. An on-site interview with the Project Sponsor's Executive Director will be requested. Any additional support staff needing to be present for the visit should also plan to be available at the scheduled date and time.

B. On-Site Visit

   1. An initial interview will be held with the Executive Director or his/her designated representative. City staff will ask a series of questions relating to the capacity of the organization, program effectiveness, contractual compliance and any recent changes that the organization has undergone. At this time, the City staff person will also describe the review process that will occur throughout the remainder of the visit to verify that all required data and files are accessible.

   2. City staff will review client files thoroughly, making note of any missing information or documentation. Client eligibility and other requirements will be verified to demonstrate compliance with federal regulations.

   3. Personnel Policies and Procedures will be reviewed to insure compliance with local and federal regulations.

   4. Claims will be reviewed to verify the organization is maintaining appropriate and sufficient records. Specifically, the City reserves the right to assess any financial back-up documentation for these claims to determine whether unnecessary or unreasonable expenditures occurred.

5. City staff will conduct and exit interview with the Executive Director to answer any questions or clarify any missing or unusual information found during the visit.

C. Post-Visit Procedures

1. Within fifteen business days of the monitoring visit, City staff will send a letter to the Project Sponsor outlining both the organizations strengths and weaknesses in addition to any corrective actions that should be taken. A deadline will be set for these actions to occur (no more than 60 days) and directions will be given regarding how to demonstrate compliance (i.e. a follow-up visit, phone call, etc.) If a Project Sponsor does not complete all corrective actions outlined in the time allotted, a letter will be sent detailing areas of non-compliance, including copies of previous correspondence and listing actions that the City will take (including possible funding decrease) if the situation is not rectified.

Affirmative Marketing

The HOME Investment Partnership Program (HOME) requires that affirmative marketing steps are taken by participating jurisdictions (PJs) when using HOME funds for rental or homebuyer projects containing five or more HOME-assisted units. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status, or disability.

Methods for informing the public, property owners and potential tenants about Federal fair housing laws and the PJ's affirmative marketing policies consist of several activities. The use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations, use of commercial media, use of community contacts, and display of fair housing posters in public areas of offices. In addition, affirmative marketing requires that applications be solicited from persons in the housing market area who are not likely to apply for the housing without special outreach. The use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies are recommended ways to reach these groups.

The City of Indianapolis' *Grant Management Policies and Procedures* document includes various options for meeting the goals of affirmative marketing, as well as the federal regulations required by HOME. All HOME project sponsors are required to provide documentation detailing actions taken to meet the affirmative marketing requirements upon project completion.

The City of Indianapolis monitors all project sponsors annually. One aspect of the monitoring visit is to determine if the sponsor is in compliance with the affirmative marketing requirements. The City requests the project sponsors provide copies of housing advertisements or marketing that includes the equal housing opportunity logo or slogan. In addition, the City verifies that fair housing posters are displayed within a public place in the sponsor's office.

Minority/Women Business Enterprise Outreach

The City of Indianapolis will work with its community development partners to increase minority business enterprise/women business enterprise (MBE/WBE) outreach and participation in 2006. The Department of Metropolitan Development will collaborate with the Department of Administration's Human Resources Division and Office of Equal Opportunity to provide training and outreach to contractors for this purpose.

Many of the project sponsors receiving federal grants through the have identified contractor training as a priority. City staff will conduct training to include bidding procedures, license and bonding requirements, customer service and the MBE/WBE certification process. In addition, the Department of Administration has agreed to distribute requests for bid documents on behalf of the project sponsor. This will allow for a broader distribution of bid opportunities and all certified MBE/WBE contractors will be included on the distribution list.

In addition, the City's *Grants Management Policies* and contractual agreements will include MBE/WBE targets for all project sponsors receiving federal funds for construction-related activities through the Department of Metropolitan Development. The goal is that each project sponsor will have fifteen percent MBE participation and eight percent WBE participation. City staff will monitor MBE/WBE participation throughout the year. Monitoring will include a thorough review of work specifications, bid procedures, bid selection process and appropriate documentation.

Increased MBE/WBE outreach and participation is a shared goal among City staff, community leaders, and project sponsors. With a greater emphasis on this important issue, it is anticipated that additional contractors will receive bid opportunities and MBE/WBE participation will increase in 2006.

Special Urban Initiatives

Fostering Commercial Urban Strategies

Fostering Commercial Urban Strategies (FOCUS) is an innovative partnership among the Local Initiatives Support Corporation (LISC,) the Indianapolis Chamber of Commerce, the Indianapolis Coalition for Neighborhood Development (ICND) and the City of Indianapolis. The mission of the program is to jumpstart commercial revitalization in declining core urban neighborhoods. With the combination of leaders from all facets of development, lending and public agencies, the over-arching goal of the program is to change the systemic approach to commercial development in these neighborhoods. FOCUS will work towards five main goals:

Goal 1:   Develop new ways to market urban areas.
Goal 2:   Increase active commercial development and investment in core neighborhoods.
Goal 3:   Further develop neighborhood expertise and capacity.
Goal 4:   Work to alleviate existing barriers.
Goal 5:   Build sustainability and working models.

During 2003, the City of Indianapolis launched an Economic Development Portal website to assist with the goals of FOCUS and foster more development in the urban core of Indianapolis. The site provides a map-based property search tool to locate properties for sale or lease, online resource guides, local economic development links, demographic and business data, area amenities and general information about Indianapolis. The portal provides a "one stop shop" for developers seeking a location for their commercial development or business. Incentives offered, such as workforce development, Neighborhood Action Grants, brownfield clean-up programs and tax abatement, by the Indiana Department of Commerce and the City of Indianapolis are also listed on the site.

In 2006, the City will award $120,000 of CDBG funds to the Local Initiatives Support Corporation to provide exterior repairs to commercial structures located in Indianapolis urban neighborhoods, with a particular focus on core commercial corridors. This investment will work towards two of the FOCUS goals: (1) Increase active commercial development and investment in core neighborhoods and (2) Work to alleviate existing barriers.
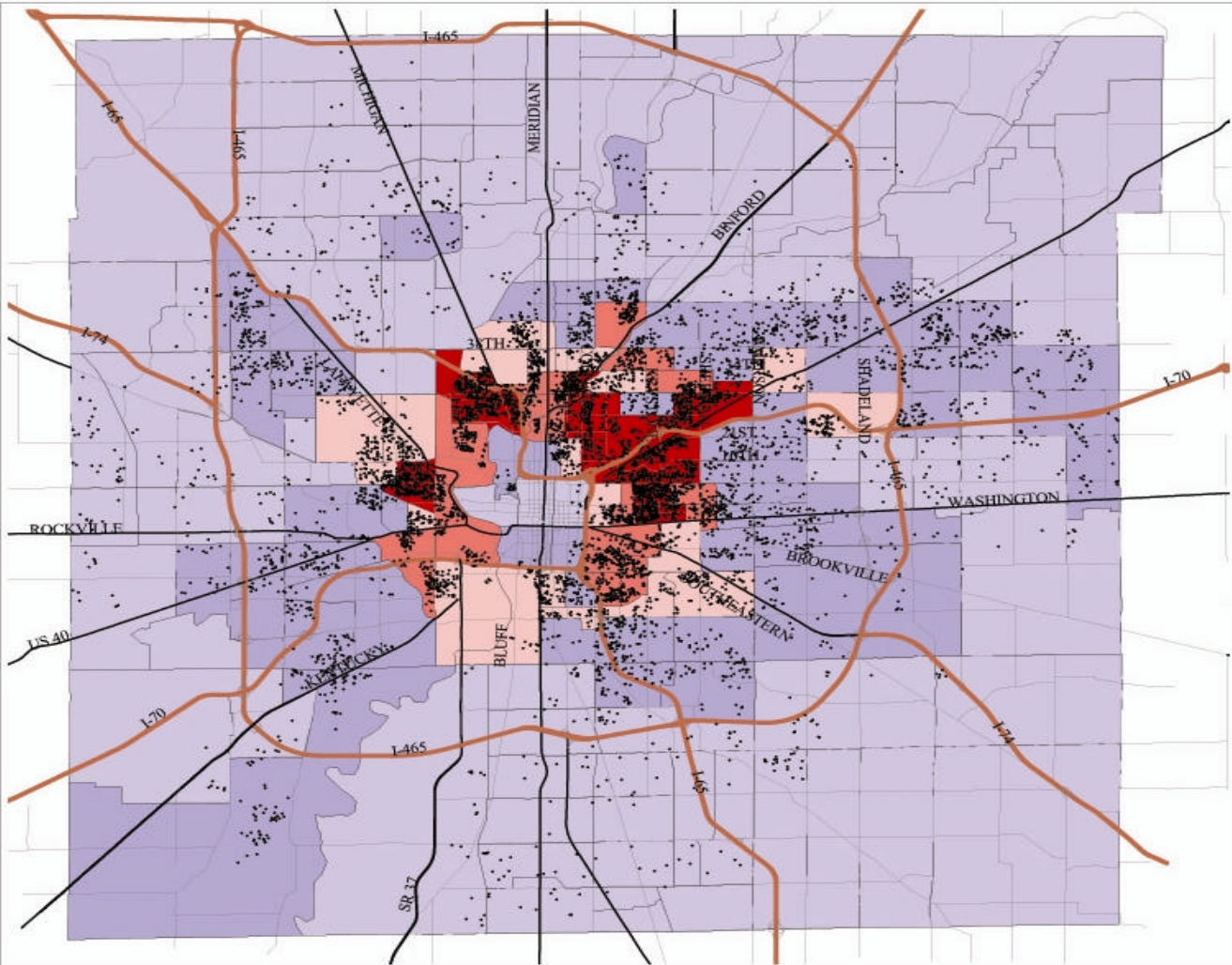
Abandoned Homes

Abandoned homes are defined by the Mayor's Vacant Home Initiative as "a chronically vacant home whose owner has not taken the necessary steps to bring the home on the market or a home whose owner has neglected minimum financial, functional and physical upkeep." Vacant homes are unoccupied homes, which can be a temporary result of normal turnover or for an extended period of time. As part of this Initiative, a survey of vacant and abandoned homes in Indianapolis was taken during the summer of 2003. Homes were surveyed, and City staff collected five items for each building.

1. The number of dwelling units (usually one or two) per building.
2. The status of the building's vacancy.
3. A rating on the condition of the building, from poor ("E" rating) to good ("A" rating).
4. The condition of the site surrounding the building.
5. A digital photograph of the building façade.

The survey identified 7,913 vacant residential structures in Marion County containing approximately 9,013 vacant units. 88.9 percent of all vacant and boarded buildings are located in areas served by community development corporations. The majority of the buildings were given a "C" rating or found to be in fair or average condition. A few buildings received an "A" rating or were in good condition. The map on the following page shows the location of abandoned or vacant buildings across Marion County.

In 2003, the Mayor formed a Vacant Homes Task Force to study the issue and develop strategies and goals to fight the war on abandoned homes in Indianapolis. In 2005, the City received a technical assistance grant from the National Vacant Properties Campaign. This grant brought national experts to Indianapolis to review and research existing programs, ordinances, and laws related to vacant properties. As a result, a report that includes recommendations for change within existing laws and possible changes through amending ordinances and creating new legislature was prepared. In 2006, the City will work with the Vacant Homes Task Force to review these recommendations and work towards implementation where it is appropriate. In addition, the City will invest Community Development Block Grant funds in the Unsafe Building Program to secure, demolish and repair vacant abandoned homes in 2006.

City of Indianapolis Vacant Housing Inventory
Summer 2003
Vacant Housing Units Inventoried as a Percent of
the Total Number of Housing Units determined during the 2000 U.S. Census

Neighborhood Revitalization Strategy Area

In 1996, the City received a Neighborhood Revitalization Strategy Area (NRSA) designation. That area was subsequently expanded in 1999. The Indianapolis Enterprise Community is located within this area. The NRSA designation allows the City additional flexibility in investing federal funds in some of the neediest areas.

In 2005, the City began to research the possibility of amending its current NRSA. Using current data from the United States Census Bureau, the City's Planning Division found that all of the census tracts in the existing NRSA still qualify. At this time, the City requests the addition of the following census tracts and block groups: 3505 block group 3, 3505 block group 2, 3505 block group 1, 3506 block group 6, 3506 block group 5, 3506 block group 4, 3507 block group 2, 3507 block group 1, 3506 block group 3, 3519 block group 3, 3519 block group 2, 3519 block group 1, 3553 block group 2, 3551 block group 2, 3554 block group 3, 3554 block group 4, 3554 block group 1, 3554 block group 2, 3555 block group 5, 3551 block group 1, 3551 block group 3, 3556 block group 1, 3556 block group 2, 3556 block group 4, 3556 block group 3, 3573 block group 1, 3574 block group 4, 3573 block group 2, 3555 block group 3, 3574 block group 3, 3574 block group 1, 3574 block group 2, 3578 block group 1, 3578 block group 2, 3573 block group 4, 3573 block group 3, 3581 block group 5, 3581 block group 4, 3581 block group 3, 3563 block group 5, 3580 block group 1, 3426 block group 2, 3426 block group 3, 3426 block group 4, 3424 block group 1, 3581 block group 1, 3581 block group 2, 3417 block group 2, 3426 block group 5, 3426 block group 1, 3414 block group 1, 3414 block group 2, to the NRSA. Each of these tracts meets the income requirements and is contiguous to each other or the existing NRSA. The expansion of the NRSA allows for even greater flexibility in investing federal funds. This will increase our ability to focus on comprehensive strategic development within the NRSA, which in turn increases the impact of investment in our neighborhoods.

In 2006, the City will invest federal grant funds and leverage other funding sources in the NRSA to achieve the goals identified below.

Goal 1: Increase the availability of safe, decent, affordable housing.

Strategy	2006
Rehabilitate substandard units to create rental housing for persons at 0-30% MFI.	18
Rehabilitate substandard units to create rental housing for persons at 31-80% MFI.	10
Rehabilitate/New Construction substandard units to create homeownership opportunities.	12
Increase homeownership opportunities for low-moderate income persons through down-payment assistance.	20
Assist homeowners with repairs to residences.	150

Goal 2: Prevent homelessness for special needs populations and persons at-risk of homelessness.

Strategy	2006
Provide rent and utility assistance to persons with special needs and persons at risk of homelessness.	30
Provide supportive services to persons at risk homelessness or special needs populations to work towards self-sufficiency.	2500

Goal 3: Increase educational opportunities.

Strategy	2006
Increase educational opportunities for youth.	250
Provide job training to low-moderate income persons.	150

Goal 4: Support capital enterprise development for job creation.

Strategy	2006
Place low-moderate income persons in jobs.	50
For persons placed in jobs, help ensure employment for at least 180 days.	20
Create new jobs through new development.	100
Improve commercial facades and signage for small business owners.	12

Goal 5: Eliminate unsafe buildings and sites.

Strategy	2006
Eliminate unsafe sites that pose a threat to the environment.	1
Eliminate unsafe structures that pose a threat to public safety.	1500

Combined, these goals and strategies will make a positive impact on the residents, businesses and stakeholders of the neighborhoods that make up the City's NRSA. The *Consolidated Plan* identifies a surplus of housing units affordable for households earning more than 30 percent of the area median family income and does not call for new construction of housing units. However, the *Consolidated Plan* does support comprehensive strategic community development, which may include new construction based on the needs of a particular area. The goals of the NRSA also call for comprehensive strategic development. By utilizing federal funds, private funds and tax abatement, these goals can be achieved to improve the quality of life for residents of this designated area.

Citizen Participation

A key component of the City's community development efforts are the cooperation and participation with community stakeholders. Public feedback is the single most important guide in the development of goals for the City's *Action Plan* and it's *2005-2009 Consolidated Plan*.

Through public availability sessions, residents were able to get answers to their questions about community development and the application and funding processes. City staff also used feedback from the Community Development Summit held in 2004 to shape the direction of community development for the city. In an effort to include the most diverse sampling of public input, the City held meetings in different areas of Indianapolis. In doing so, citizens were provided a platform in which they could meet with City staff and better understand the grant funding process.

At these sessions, participants received a neighborhood survey designed specifically to help the City prioritize its community development efforts in housing, non-housing and homelessness. Respondents were asked to classify activities and programs in these areas from lowest to highest priority. Additionally, surveys were mailed out to more than 300 residents and organizations and made available online at the Division of Community Development website. A total of 828 surveys were returned, with the majority of respondents identifying themselves as individuals.

In section one, the highest housing related priority was identified as the Demolition/Rehabilitation of Unsafe and Abandoned Properties. The following were the top-rated housing priorities in this year's survey were respectively:

• Demolition/Rehabilitation of Unsafe and Abandoned Properties
• Home Repair Assistance
• Emergency Shelters
• Single-Family Homeownership
• Permanent Housing

Section two focused on the issue of homelessness. More specifically, respondents were asked which supportive services they believed were most needed to assist homeless persons: job training, life skills programs, case management, mental health services, housing placement and substance abuse treatment. Results indicate that Indianapolis residents believe a comprehensive approach to homelessness is the best defense against this growing epidemic, equally ranking the six areas. This response also further reinforces the City's approach towards implementing the *Blueprint to End Homelessness*.

The third section of the survey relates to non-housing community development, which includes public facilities, public services, infrastructure and economic development activities. Because other city funding resources are available to address several of the highest rated non-housing issues, these services were shifted to allow other issues better served by HUD funding sources to form the top five services listed below.

The top five non-housing services identified in this year's survey were as follows, respectively:
- Youth Services
- Transportation Services
- Crime Awareness
- Commercial Development
- Employment Training

Resources

The City anticipates receiving approximately $16.1 million in federal resources for these four entitlement grants (CDBG, HOME, ESG and HOPWA) in 2006. To maximize the benefits of this funding, it is important to leverage these federal funds with other private, public, state, local and in-kind dollars. In the fiscal year 2006, the City of Indianapolis anticipates leveraging 240 percent of funds for programs that work towards the goals outlined in the *2005-2009 Consolidated Plan*. HOME funds will exceed the 25 percent match requirements through private funding and project sponsors. ESG grant matching requirements will also be satisfied utilizing funds from other federal, state and private dollars. The table below illustrates the allocation of funding and the amount of leveraging for each goal.

Annual Action Plan Goal	Entitlement	City Dollars	Project Sponsor	Other Funds	Total Leverage Dollars
Increase the availability of safe, decent, affordable housing	$ 6,364,000	$ -	$ 3,396,835	$ 28,252,533	$ 38,013,369
Prevent homelessness for special needs populations & persons at-risk of homelessness	$1,549,022	$ -	$ 2,241,534	$ 3,115,482	$ 6,906,038
Increase educational opportunities	$ 959,000	$ -	$ 1,878,744	$ 5,031,359	$ 7,869,103
Support capital enterprise development for job creation	$ 160,000	$ -	$ 62,500	$ 70,833	$ 293,333
Eliminate unsafe buildings & sites	$ 1,870,000	$ -	$ -	$ -	$ 1,870,000
Combine housing opportunities with social & public services	$ 86,800	$ -	$ 808,283	$ 827,967	$ 1,723,050
Total	$ 10,988,822	$ -	$ 8,387,896	$ 37,298,174	$ 56,674,893

45,686,070